1 MR. COHEN: Correct. 2 JUDGE SIPPEL: Okay. 3 MR. COHEN: Mr. Nickels is not 4 going to testify. We've never seen the 5 underlying data. It was never produced to us. 6 Mr. Herring said in his declaration and Mr. 7 Rose said it earlier today on the in limine 8 motion that they have always kept this data. 9 Well, they may have always kept it, but they 10 haven't produced it and not a single document 11 underlying this data has ever been produced. 12 So Mr. Herring is not the person 13 who created this table. Mr. Nickels is not 14 coming here to testify. He's an employee. 15 Mr. Nickels wants to come here and tell us 16 what he did and I can cross examine him and 17 ask him where the 500 individual responses are 18 because we know from Mr. Kersey's testimony 19 that they get physical emails and then they 20 take the physical emails and they somehow 21 compile this.

So there's no way to figure out if

this is accurate. Mr. Herring is not the person who created this document. He is not the person who did the tabulation. testified in his declaration that he did not see the underlying data but that the results It's completely were reported to him. unreliable hearsay and frankly I think Wealth has got some explaining to do about where the underlying documents are. JUDGE SIPPEL: Well, let's hear from Wealth. Who wants to take this one? MR, ROSE: Your Honor, this is Mr. The tabulation that was prepared in Rose. 2007 as his email indicates December 2007 by Mr. Nickels, an employee of WealthTV, it's something they do in the ordinary course of They tabulate these things their business. and I'm told there's a simple reason he didn't produce the underlying data is he doesn't have it anymore. So it just has the tabulation. JUDGE SIPPEL: What happened to it?

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1	MR. ROSE: I He'll be available
2	to say that on cross examination. I could ask
3	him right now, but I don't know.
4	JUDGE SIPPEL: '06 to '07 data.
5	Well, it's objected to for a failure to
6	accurately document, to show source, and
7	that's certainly a good objection. It goes
8	right to the heart of reliability.
9	MR. ROSE: Your Honor, the
10	business keeps records. It doesn't
11	necessarily keep the underlying data it
12	created the records from. It prepares these
13	tabulations. It prepared them before the
14	proceeding started as part of the ordinary
15	course of business. It didn't save the source
16	data. Maybe it would have been a better idea
17	if it were anticipating litigation. But
18	apparently they just didn't have it to
19	produce.
20	MR. COHEN: Your Honor, by
21	December of `07, they had sued us.
22	JUDGE SIPPEL: When?

MR. COHEN: Within a week of doing this tabulation being completed and in fact it they threatened us with an FCC pre-filing in May of '07. So I reject that there was no expectation of litigation and it's not kept in the ordinary course. If it were kept in the ordinary course, we would be able to see the data.

Mr. Kersey did a tabulation for a different period of time, a couple of hundred respondents. He produced all of the emails. So we have an opportunity with Mr. Kersey to say "You say it's 70 percent men, 30 percent women. Let's look at the individual responses you got and see if it's tabulated correctly" and what we're going to see is it's not reliable and there are issues and we've had an entire day of testimony.

Now we have another document without the witness who created it, without the underlying documents and it's an effort again to bootstrap Mr. Kersey's opinion. So

we can cross examine Mr. Kersey, but we can't cross examine this document. Even if we had Mr. Nickels, we can't cross examine him

This is compiled from individual email responses. Somebody submits a comment to the WealthTV website. They make the It's not a survey. decision. They make the decision to report and then they choose male or female and in this period of time and this is critical for one of these two forms, there was no male or female. So somebody read somebody's name, and you're going to hear this from Mr. Kersey. Somebody read a name Les. Is Les Leslie? Is that a man or a woman? Somebody made a judgment in these documents.

So Ι can't cross examine Mr. Nickels because he's not here and if he were here, I don't have any way of authenticating the information and this is the only such document that Wealth has now produced They didn't produce it during belatedly. discovery

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1 So you can't say it's in the 2 ordinary course. If there were a periodic 3 report bу which Wealth had generated 4 information about its respondents to the 5 website and I could look at the monthly 6 reports and say these are generated in the 7 ordinary course, this -- We can't say that 8 about this document. It's a one-off and Mr. 9 Kersey will say he's never seen another one. 1.0 So this has massive reliability problems as 11 well as hearsay problems. 12 JUDGE SIPPEL: Now does this type 13 of document -- Is this one of its kind? Ι mean, this is it. There is no one for some 14 15 period of '07-'08 or this is it? 16 MS. WALLMAN: This is the only one 17 that the company has. Mr. Cohen was referring 18 to a similar document that we've created in 19 the course of some work that Mr. Kersey did. 20 That work was done in a particular context

trying to ascertain whether many or most of

the viewers of WealthTV were of drinking age

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so that they could sell advertising to liquor companies.

The company during this period was

keeping tabulations. They did that from time to time. The underlying documents that Mr. Kersey relied upon were of course called for in expert discovery and they were produced. This is a business record. The underlying versions of those records no longer exist and Mr. Herring can be cross examined as to methodology and as to reliability based on how convincing he is about methodology.

The work was done both in the company because they couldn't wait to find out what the results were and was also done independently by Mr. Kersey because they thought it was important to have an outside third party look at the results so that they would be more credible, more reasonable, from the perspective of the potential advertisers.

JUDGE SIPPEL: Who is Mr. Kersey?

MS. WALLMAN: Mr. Kersey is an

NEAL R. GROSS

industry analyst. He runs a research firm in San Diego. He was identified as one of our expert witnesses and he's going to be presenting testimony probably the second day of our case in chief.

MR. COHEN: Your Honor, if I may. When I deposed Mr. Kersey and this document showed up in the course of Mr. Kersey's deposition, he couldn't identify it. He doesn't know who created it and here's one thing we know. Mr. Herring didn't do this tabulation. So we don't -- Even if we could excuse the failure to have the underlying information which I don't think is excusable, I don't have in front of me the witness who actually did this tabulation. It was just reported to Mr. Herring. He can't be the --

You know they've made a decision that they're going to put all the eggs in Mr. Herring's basket. They could have called -- They had two declarants below, Mr. Herring's father who is the co-founder. He's here.

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He's not testifying. They have affiliate 1 2 relations people who went to visit with the 3 various Plaintiffs. They could testify. They're not testifying. Mr. Nickels did or 4 didn't do whatever he did. They could have 5 6 called him. They didn't call him. 7 It's inappropriate for Mr. Herring 8 to come in with a document which is completely unreliable on its face which he didn't create 9 10 it into evidence as and try to put 11 corroborative of what his expert did. 12 MS. WALLMAN: Well, again, Your Honor, he can be examined on all those matters 13 14 issue with Mr. Cohen and I take some

MS. WALLMAN: Well, again, Your Honor, he can be examined on all those matters and I take some issue with Mr. Cohen characterizing our strategy and how we're presenting witnesses and the representation that this is the document that was identical to the one that was presented in the Kersey exhibits.

MR. COHEN: It's identical to the documents produced in the afternoon of his deposition.

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MS. WALLMAN: I don't have that
document here. Maybe you remember it
specifically enough to know that all the
headings and format are the same. I don't.
MR. COHEN: Exactly.
MS. WALLMAN: I don't know it's
the same and I don't want your criticism of
this document to be transferred to whatever
Mr. Kersey may testify about and rely upon.
JUDGE SIPPEL: Well, what do we do
about this? I mean, if Mr. Kersey came in,
what would he say about this document?
MS. WALLMAN: Well, first of all,
Your Honor, let me testify about this
document. There is a document, an exhibit, in
his deposition. I assume it would be used in
his cross examination here and on that basis
I can't tell you exactly what Mr. Kersey would
say about this document.
MR. COHEN: I know exactly what
he'll say, Your Honor, because I asked him in
his deposition. So let me try to be clear.

7 There was a reference in an email that was 2 produced by Mr. Kersey so a document that 3 sounded like this. We made a request in the 4 course of the deposition that that document be 5 produced. Ms. Wallman, Mr. Herring, obtained 6 that document in the afternoon of 7 deposition. This document was marked at Mr. 8 Kersey's deposition. 9 SIPPEL: This document JUDGE 10 being? 11 Exhibit 30, MR. COHEN: Trial 12 Exhibit. 13 JUDGE SIPPEL: Tab 30. 14 MR. COHEN: Well, Exhibit 30 was 15 marked in Mr. Kersey's deposition and he said, 16 "Apparently they doing their were own 17 tabulation" and said he had never seen the 18 document before and couldn't say anything about it. So Mr. Kersey is not going to help 19 20 us with the reliability of this document. 21 we just -- We do not have a witness who was

involved in its preparation.

MR. MILLS: Your Honor. This is 1 David Mills. 2 JUDGE SIPPEL: Yes sir, Mr. Mills. 3 MR. MILLS: Mr. Kersey has already 4 submitted an expert report on this topic. 5 This is cumulative. It's unreliable. If Mr. 6 Kersey's testimony holds up, they have the 7 information they need. If it doesn't, that's 8 That's fair. all right to cross examine him. 9 10 This is not cross examinable. just is not fair to the Defendants. It's an 11 attempt to bolster what Mr. Kersey did and 12 that is exactly what Mr. Kersey was called to 13 So he should either stand or fall on his 14do. this can't even 15 merits and own authenticated. So it seems to me entirely 16 unfair especially without the underlying data 17 to admit it. 18 Anything to add to 19 JUDGE SIPPEL: It looks to me like 20 Ms. Wallman? this, 21 there's nobody that's going to sponsor this 22 document, that prepared it or ít

1	appeared.
2	MS. WALLMAN: This was prepared in
3	the normal course of business under Mr.
4	Herring's supervision.
5	JUDGE SIPPEL: By who?
6	MS. WALLMAN: By persons under his
7	supervision including John Nickels. This is
8	not exactly rocket science, Your Honor. The
9	tabulations they performed, they add them and
10	they apply percentages to them and present a
11	spreadsheet.
12	JUDGE SIPPEL: Well, I had a
13	similar situation to this earlier. There's no
14	way that I can I mean I'm not going to do
15	or take the time to have someone do an audit
16	of this. There's nothing on the face of this
17	document which shows a source. I have no way
18	of assessing any reliability of this.
19	You say that you think you can get
20	this into evidence through Mr. Nickels. Is he
21	testifying?

MS. WALLMAN: No. Mr. Nickels is

1	not testifying.
2	JUDGE SIPPEL: Well, who are you
3	going to get it in through?
4	MS. WALLMAN: We intended for
5	Charles Herring to be the sponsoring witness.
6	JUDGE SIPPEL: And he didn't
7	prepare it. It was prepared you say under his
8	supervision.
9	MS. WALLMAN: Right.
10	JUDGE SIPPEL: Or under this
11	supervision. I'm not ever sure if you're able
12	to say that much. Was it really under his
13	supervision or he knew about the document?
14	MS. WALLMAN: Well, again that
15	could be verified by cross examining him about
16	exactly what its origins were. But that is my
17	understanding that as the president of the
18	company he's responsible for being able to say
19	who is the company is speaking to for its
20	programming and this was prepared under his
21	supervision.
22	JUDGE SIPPEL: All right. I'm

1	going to reserve on it. I'm very, very leery
2	about this one, but you're making a proffer
3	that your client's going to go to offer this
4	in while he's on the stand and is going to be
5	subject to voir dire. We'll see what happens.
6	(Whereupon, the document referred
7	- to was marked as WealthTV Exhibit
8	No. 30 for identification.)
9	Okay.
10	MR. COHEN: Your Honor, you will
11	be pleased to hear that 31, 32 and 33 if we
12	are completely the first binder we have no
13	objection. So if Mr. Rose would like to move
14	their admission I think we are done.
15	JUDGE SIPPEL: Okay. Do we have
16	to take this up with or without lunch? I mean
17	if it's with lunch, it goes. If it's without
18	lunch, then are we going to have a problem
19	with it? That's okay. I'm just kidding.
20	(Laughter.)
21	Okay. Thirty-one, 32 and 33 are
22	identified and are received into evidence as

1	WealthTV's 31, 32 and 33.
2	(Whereupon, the above-referred to
3	documents were marked for
4	identification as WealthTV
5	Exhibits Nos. 31-33, and received
6	in evidence.)
7	It's 1:10 p.m. back there. Am I
8	reading that clock right?
9	MR. COHEN: Yes, Your Honor.
10	JUDGE SIPPEL: There's a glare.
11	Let's say we come back 2:20 p.m.
12	MR. ROSE: Thank you, Your Honor.
13	JUDGE SIPPEL: Is that enough
14	time?
15	MR. COHEN: Yes.
16	JUDGE SIPPEL: All right. As
17	close to 2:20 p.m. as we can. Let's do it
18	that way and everything is You can leave
19	your things in the courtroom whatever you
20	want. The courtroom will be closed. You know
21	how to handle it. We're in recess until 2:20
22	p.m. Thank you. Off the record.

1	(Whereupon, at 1:10 p.m., the
2	above-entitled matter recessed to reconvene at
3	2:20 p.m. the same day.)
4	JUDGE SIPPEL: All right. This is
5	the afternoon session.
6	We finished with Tab 33, Volume 1.
7	We can now move to Volume 2. Okay. Volume 32
8	at Tab 34.
9	Okay. Who would like to start?
10	Mr. Rose, you have been doing a lot of the
11	work. Are you
12	MR. ROSE: Well, I can represent
13	to you what it is. It is I would like to
14	
15	JUDGE SIPPEL: You have to move it
16	into evidence.
17	MR. ROSE: 34 I believe is
18	unobjected to, so I would like to move that
19	one into evidence.
20	JUDGE SIPPEL: No objection?
21	MR. COHEN: None, Your Honor.
22	JUDGE SIPPEL: What is it? Well,

1	what does it it says American Driver
2	Automotive Luxury Lifestyle?
3	MR. ROSE: It is an ad that
4	WealthTV put on.
5	JUDGE SIPPEL: Thank you. No
6	objection. It is marked as 34 and received as
7	WTV Exhibit 34.
8	(Whereupon, the above-referred to
9	document was marked as WTV Exhibit
10	No. 34 for identification, and was
11	received in evidence.)
12	35?
13	MR. ROSE: 35 is also an ad. It
14	is also unobjected to.
15	JUDGE SIPPEL: 35 is as
16	identified as an ad, says American Driver. So
17	identified, and it is received as WTV Exhibit
18	35.
19	(Whereupon, the above-referred to
20	document was marked as WTV Exhibit
21	No. 35 for identification, and was
22	received in evidence.)

1	36?
2	MR. ROSE: Once again, it is a
3	document Wealth generated that I believe is
4	not objected to. We would like to move it in
5	as well.
6	JUDGE SIPPEL: Any objection?
7	None?
8	MR. COHEN: None. No, Your Honor.
9	JUDGE SIPPEL: It is identified
10	and received as WTV 36.
11	(Whereupon, the above-referred to
12	document was marked as WTV Exhibit
13	No. 36 for identification, and was
14	received in evidence.)
15	Do we have a series like that, or
16	is this going to come to a
17	MR. ROSE: I believe 37 is the
18	last in this series.
19	JUDGE SIPPEL: All right. We will
20	identify it and receive it. It is an ad. It
21	is not an ad. This is from Mr. Herring dated
22	September 30th. It is an e-mail, subject

1	WealthTV. Okay. What is this? Can you
2	represent what this is?
3	MR. ROSE: That is an e-mail from
4	Mr. Herring to Cablevision about their reasons
5	for not accepting his not carrying his
6	network.
7	JUDGE SIPPEL: Not carrying his -
8	network? Wait just a second. Is this can
9	we
10	MR. ROSE: Cablevision is the
11	carrier. They didn't want to carry his
12	network. He put this in for purposes of I
13	believe showing the damages that this
14	proceeding that the denial of carriage has
15	caused him.
16	JUDGE SIPPEL: Well, it is
17	addressed to Tom who is Tom Montemagno?
18	MR. ROSE: I believe he is an
19	employee of Cablevision.
20	JUDGE SIPPEL: Cablevision?
21	MR. COHEN: He is the Vice
22	President for Programming at Cablevision.

1	JUDGE SIPPEL: Thank you. Is
2	there an objection to this document?
3	MR. COHEN: There is no objection,
4	Your Honor.
5	MR. SOLOMON: I would like to
6	mention one thing just about terminology as we
7	go forward.
8	JUDGE SIPPEL: Mr. Solomon?
9	MR. SOLOMON: Mr. Rose a few times
10	has repeated to referred to Comcast and the
11	other cable operators as carriers, and I just
12	wanted to be clear that the cable operators
13	are not carriers or common carriers as are
14	commonly telephone companies are commonly
15	referred to.
16	JUDGE SIPPEL: Yes, let's be
17	careful with the terminology.
18	MR. ROSE: I am afraid I am not a
19	subject matter expert, and please correct me
20	if I use the wrong term.
21	JUDGE SIPPEL: What can we call
22	it, then? A

1	MR. COHEN: Cable operator.
2	JUDGE SIPPEL: There you go.
3	Couldn't be easier. Exhibit 37 is marked and
4	received as WTV Exhibit 37.
5	(Whereupon, the above-referred to
6	document was marked as WTV Exhibit
7	No. 37 for identification, and was
8	received in evidence.)
9 (If I have that right, WTV 38 is
10	different. I am going to talk about 38.
11	MR. ROSE: 38 I believe we are
12	starting the objections. This one is an e-
13	mail exchange between Mr. Herring and a
14	this is an outfit that tracks industry trends.
15	They do viewer ratings or something like
16	Nielsen. Rentrak is the name of the company,
17	and this is an exchange about I believe it
18	includes some data that Rentrak, you know, had
19	on WealthTV.
20	JUDGE SIPPEL: And what is the
21	purpose of this?
22	MR. ROSE: I think it is, in fact,

1	for the data that is in here. This is
2	something WealthTV was getting information on
3	on its, you know, market house performing, who
4	is watching it according to Rentrak's data.
5	JUDGE SIPPEL: Who is Carol
6	Hinnart?
7	. MR. ROSE: My understanding is she
8	is a Rentrak official or employee of some
9	kind.
10	JUDGE SIPPEL: A what? I'm sorry.
11	MR. ROSE: She works for Rentrak.
12	Rentrak is the data compilation company that
13	is that Mr. Herring is exchanging e-mails
14	with in this series.
15	JUDGE SIPPEL: Okay.
16	MR. COHEN: We have an objection,
17	Your Honor.
18	JUDGE SIPPEL: You do, or you
19	don't?
20	MR. COHEN: We do.
21	JUDGE SIPPEL: Yes?
	II

1	is this is presently hearsay with respect to
2	Ms. Hinnart who is making representations. We
3	can't cross examine her. She is not here.
4	The first e-mail on the second page of this
5	exhibit refers to two competitive reports that
6	he ran. Mr. Herring talks about Rentrak in
7	his testimony. Wealth has never produced this
8	Rentrak report or any other Rentrak report in
9	the course of this proceeding.
10	So, you know, it is hearsay.
11	There is a reliability issue, and there is a
12	prejudice issue as well, because a best
13	evidence issue because we don't have the
14	underlying documents. And there are no
15	Rentrak documents that I have seen.
16	JUDGE SIPPEL: What does it
17	purport to represent?
18	MR. ROSE: It talks about reports
19	that Rentrak does. If you look at the
20	penultimate paragraph on this first page of it
21	it says it is some about their reports and

the numbers in the reports, ranked seventh

1 highest on orders, top 20 percent of performing networks. It is basically based on 2 data Rentrak tracks. 3 We take the position that it is in 4 the nature of a market report under 5 6 hearsay exception for market reports 7 commercial publications. I am hearing from Mr. Herring that 8 the report was, in fact, an exhibit to one of 9 the complaints below and that it has been 10 But I can't verify that. 11 produced. SIPPEL: But for what 12 JUDGE 13 purpose? I mean, this talks about -- it says, "I am confused by the statement." It sounds 14 15 like that it is -- what is being communicated to Mr. Herring isn't even being understood. 16 Of what probative value is this? 17 MS. WALLMAN: Your Honor, network 18 19 channels such as WealthTV always struggle to figure out how to communicate to potential 20 21 distributors how popular they are.

have limited distribution, you are not Nielsen